VZCZCXRO8058 OO RUEHROV DE RUEHJM #0308/01 0511431 ZNR UUUUU ZZH O 201431Z FEB 09 FM AMCONSUL JERUSALEM TO RUEHC/SECSTATE WASHDC IMMEDIATE 4148 RHEHAAA/WHITE HOUSE WASHDC RHEHNSC/WHITE HOUSE NSC RUEKJCS/SECDEF WASHDC RUEKJCS/DIA WASHDC RUEAIIA/CIA WASHDC RUEADWD/DA WASHINGTON DC//DAS-ZD/DACS-ZK// RUEAHQA/CSAF WASHINGTON DC//POLAD// RHMFIUU/CMC WASHINGTON DC RUENAAA/CNO WASHINGTON DC//POLAD// INFO RUEHXK/ARAB ISRAELI COLLECTIVE RUEHTU/AMEMBASSY TUNIS 7551 RUEHLO/AMEMBASSY LONDON 4536 RUEHFR/AMEMBASSY PARIS 4384 RUEHNC/AMEMBASSY NICOSIA 5878 RUEHRO/AMEMBASSY ROME 4300 RUCNDT/USMISSION USUN NEW YORK 2872

UNCLAS SECTION 01 OF 02 JERUSALEM 000308

SIPDIS

STATE PASS BBG STATE FOR NEA, NEA/IPA, NEA/PPD WHITE HOUSE FOR PRESS OFFICE, SIT ROOM NSC CMC WASHINGTON DC FOR POLAD

JERUSALEM ALSO FOR ICD LONDON FOR HKANONA AND POL - TSOU PARIS ALSO FOR POL

ROME FOR MFO

TAGS: PREL KMDR KPAL KWBG KPAO IS

E.O. 12958: N/A

SUBJECT: JERUSALEM MEDIA REACTION (02/20): "EFFORTS TO JUDAIZE JERUSALEM CONTINUE"

Main Stories:

All front pages feature and Al Quds leads with news that Israeli President Peres will meet with the heads of the Kadima and Likud

parties on February 20 to seek agreement for a national unity government. If efforts fail, papers report that Peres will ask Likud's Netanyahu to form a government. Al Quds quotes former US Ambassador to Israel Daniel Kurtzer calling a possible Netanyahu-Lieberman coalition a, "dangerous combination for U.S. interests." He is also quoted stating that the Obama administration would like to see a broad-based coalition government that includes both Kadima and Likud.

Al Ayyam and Al Hayat Al Jadida lead with angry Egyptian reactions to Israel's decision to link the release of Israeli soldier Shalit to a Gaza truce agreement with Hamas. Al Hayat Al Jadida's front page adds that Egypt has put on hold trade negotiations with Israel, ordering its trade delegation to immediately return from Israel. In related reporting, Al Quds' front page quotes PLO Executive Committee member Yasir Abd Rabbuh stating that internal Palestinian talks should not be delayed by Israel's decision or other Israeli issues. The paper further notes that Abd Rabbuh spoke to the press after meeting with U.S. Senator Lieberman in Ramallah.

All papers run front page photos and reports on the visits to Gaza by Senator Kerry and Congressmen Baird and Ellison. The photos show the Congressmen inspecting "post-war devastation" in Gaza, and highlight that the visits were not sponsored by the U.S. administration. The Congressmen are quoted expressing "sorrow and dismay" over what they saw in Gaza. Senator Kerry is quoted clarifying that his visit does not imply any change in U.S. policy towards Hamas and indicates only, "our wish to listen and learn." The papers note that the delegations visited the Gaza Center for

Psychological Health and received briefings on the suffering of Palestinians in Gaza. The papers also quote Hamas' reactions to the visits. Hamas spokesman Fawzi Barhum hoped for a change in President Obama's policy towards Hamas and stated that the congressional visits were a, "first step in the right direction" but did not go far enough and that additional steps were needed.

Al Hayat Al Jadida's front page reports that Russia has decided to stop meeting with Hamas representatives after their failure to convince Hamas to accept the Middle East Quartet's three conditions.

All papers run front page coverage of a signing ceremony between Palestinian Authority (PA) Premier Fayyad and banks to allow the PA to provide direct assistance to, "Gaza war victims." The papers quote Fayyad stating that 4,000 housing units were completely destroyed in Gaza, leaving more than 23,500 Palestinians homeless, and that 11,000 housing units were partially damaged, affecting another 78,000. In related reporting, Al Quds' front page notes a European Commission donation of \$41 million to UNRWA's emergency Gaza appeal.

Al Quds' front page notes an "escalation" in Israeli military operations in Gaza and the West Bank. The report details February 19 actions such as Israeli machine-gun fire near the Gaza Kerem Shalom crossing and arrests near Hebron and other West Bank areas. Meanwhile, Al Ayyam's front page cites AFP in reporting that five Palestinians rockets were fired from Gaza onto Israel on February 19, causing no damage.

All front pages highlight the February 19 Fatah Revolutionary Council meeting that yielded the decision to hold Fatah's convention by next December. The Council's declaration that no negotiations should be conducted with Israel before settlement activities cease,

JERUSALEM 00000308 002 OF 002

Main Stories:

All front pages feature and Al Quds leads with news that Israeli President Peres will meet with the heads of the Kadima and Likud ud

parties on February 20 to seek agreement for a national unity government. If efforts fail, papers report that Peres will ask Likud's Netanyahu to form a government. Al Quds quotes former US Ambassador to Israel Daniel Kurtzer calling a possible Netanyahu-Lieberman coalition a, "dangerous combination for U.S. interests." He is also quoted stating that the Obama administration would like to see a broad-based coalition government that includes both Kadima and Likud.

Al Ayyam and Al Hayat Al Jadida lead with angry Egyptian reactions to Israel's decision to link the release of Israeli soldier Shalit to a Gaza truce agreement with Hamas. Al Hayat Al Jadida's front page adds that Egypt has put on hold trade negotiations with Israel, ordering its trade delegation to immediately return from Israel. In related reporting, Al Quds' front page quotes PLO Executive Committee member Yasir Abd Rabbuh stating that internal Palestinian talks should not be delayed by Israel's decision or other Israeli issues. The paper further notes that Abd Rabbuh spoke to the press after meeting with U.S. Senator Lieberman in Ramallah.

is also highlighted.

In Jerusalem settlement news, Al Quds' front page reports that an Israeli court has delayed its ruling on a dispute over the ownership of 28 houses in East Jerusalem's Sheikh Jarrah neighborhood. The paper explains that the delay came after Palestinians presented the court with evidence that "Israeli settlers" forged relevant ownership documents.

In an inside report, Al Quds cites London-based Al Sharq Al Awsat daily in quoting U.S. envoy George Mitchell stating that the "economic peace" called for by Israeli Likud leader Netanyahu "is not enough" if it is not coupled with political action. He is also quoted saying that the U.S. would like to see a Palestinian Authority unity government that includes Fatah and Hamas, and that the U.S. appreciates Egyptian efforts towards Palestinian reconciliation.

Al Quds' reports on an inside page that USAID Director Howard Sumka visited the Palestinian Authority Higher Judicial Council in Ramallah and the Rafidiyyah hospital in Nablus on February 19. Sumka is quoted confirming USAID commitment to supporting the Palestinian judiciary sector.

¹⁾ Al Quds editorial is titled, "Efforts to Judaize Jerusalem continue: We need more than a halt to negotiations"(02/19): "It seems that we, at the official level, have been late in realizing the futility of negotiations[while] settlement activities continue... we [need]to send a message to the U.S. administration, as it sinks into the global economic swamp... that this Israeli policy... will certainly threaten American interests because regional peace and stability have been identified as American interests by more than one official in Washington."